

(SENATORS COMMENT ON MORTON SPEECH)

1974

SAIPAN, JAN. 24 (MNS)---THE ANNOUNCEMENT BY SECRETARY OF THE INTERIOR ROGERS C.B. MORTON OF A RELAXATION IN U.S. POLICY ON FOREIGN INVESTMENT IN THE TRUST TERRITORY DREW COMMENT THURSDAY (JAN. 24) FROM SEVERAL MEMBERS OF THE SENATE OF THE CONGRESS OF MICRONESIA. SENATORS JOHN MANGEFEL (YAP), EDWARD PANGELINAN (MARIANAS), OLYMPIO BORJA (MARIANAS) AND ANDON AMARAICH (TRUK) ALL SPOKE ABOUT THE SPEECH, WHICH WAS SHOWN TO THE MEMBERS OF THE CONGRESS WEDNESDAY AFTERNOON, AND RELEASED TO THE PUBLIC LATER THAT SAME DAY.

SENATOR MANGEFEL'S REMARKS WERE A WARNING. "IT IS TRUE THAT THIS ACTION CAN BRING GOOD THINGS," HE SAID, " BUT IT CAN ALSO BRING BAD THINGS." HE SAID THE MICRONESIAN LEADERSHIP SHOULD NOT BE SO "NAIVE" AS TO THINK THAT SIMPLY BECAUSE MORE OUTSIDE MONEY IS ALLOWED IN, THE ECONOMY OF MICRONESIA IS NECESSARILY IMPROVED. SUCH AN ACTION WILL REQUIRE VERY TIGHT CONTROL, HE INDICATED, AND URGED THE HIGH COMMISSIONER AND THE PEOPLE OF MICRONESIA TO BE "VERY, VERY CAREFUL" IN SCREENING THE APPLICATIONS FOR FOREIGN BUSINESS PERMITS THAT WILL COME IN AFTER APRIL 1, 1974, WHEN INVESTMENT FROM OTHER COUNTRIES IS PERMITTED.

WHILE AGREEING WITH THE SENATOR FROM YAP THAT CONTROLS WILL BE NECESSARY, SENATOR PANGELINAN SAID HE PREFERS TO LOOK UPON THE OPENING OF THE FOREIGN INVESTMENT DOOR AS A "CHALLENGE" TO MICRONESIA. "AFTER LISTENING TO THE SECRETARY YESTERDAY I GOT A LITTLE SCARED," THE SENATOR SAID, "BECAUSE NOW THAT THE DOOR IS OPEN HOW ARE WE GOING TO CONTROL THIS INVESTMENT?"

BUT, HE CONTINUED, "WE SHOULD BE PREPARED TO FACE THE EVILS AS WELL AS THE BLESSINGS THAT WILL COME ABOUT" BECAUSE OF THIS NEW POLICY. SPECIFICALLY, HE SUGGESTED THAT THE CONGRESS TAKE ACTION TO STRENGTHEN THE FOREIGN INVESTMENT LAWS, AS WELL AS CORPORATE LAWS AND OTHER METHODS OF CONTROL. HE ALSO RECOMMENDED THAT THE FUNDING AND STAFFING OF THE DISTRICT ECONOMIC DEVELOPMENT BOARDS BE INCREASED, AND HE CALLED UPON THE ADMINISTRATION TO PROVIDE MORE TECHNICAL ASSISTANCE TO THESE BOARDS AS THEY CONSIDER THE NEW APPLICATIONS.

SENATOR BORJA INDICATED HE WAS "PLEASED" THAT SECRETARY MORTON IS INTERESTED IN MICRONESIA'S ECONOMIC DEVELOPMENT. HOWEVER, HE ADDED, "THE THINGS ANNOUNCED BY SECRETARY MORTON SHOULD HAVE BEEN DONE ABOUT FIVE YEARS AGO...WE ARE STILL YEARS BEHIND." HE SAID THAT THE TRUST TERRITORY REALLY NEEDS NOW IS MONEY FROM THE U.S., NOT 60 MILLION DOLLARS, BUT 100 MILLION DOLLARS ANNUALLY, SO THAT THE NECESSARY INFRASTRUCTURE OF CAPITAL IMPROVEMENTS CAN BE PUT INTO PLACE TO ENABLE THE ECONOMY TO GROW.

THE LEAST FAVORABLE COMMENT ABOUT THE SPEECH CAME FROM SENATOR AMARAICH. "I DON'T UNDERSTAND WHY IT WAS NECESSARY TO GO THROUGH THAT ELABORATE PROCEDURE," HE SAID, REFERRING TO THE SPECIAL FILM THAT WAS PREPARED AND CARRIED TO SAIPAN BY AN INTERIOR DEPARTMENT OFFICIAL. "WHY NOT JUST SEND A CABLE FROM WASHINGTON?"

THE SENATOR FROM TRUK ALSO SAID HE WAS DISAPPOINTED THAT THERE WAS NO MENTION OF SURFACE TRANSPORTATION IN THE SECRETARY'S ADDRESS. "I WAS SOMEWHAT DISAPPOINTED THAT THERE WAS NO STATEMENT ABOUT IT," HE SAID, ADDING THAT THIS IS A VERY SERIOUS PROBLEM CURRENTLY IN MICRONESIA AND ONE THAT AFFECTS THE ECONOMY AND ECONOMIC DEVELOPMENT.

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OTHER THAN THE REMARKS CONCERNING THE MORTON SPEECH, THERE WAS NO SIGNIFICANT ACTION ON LEGISLATION OR OTHER ACTIVITY IN EITHER HOUSE OF THE CONGRESS DURING THE THURSDAY SESSION. THE HOUSE OF REPRESENTATIVES MET ONLY BRIEFLY, PASSING ONE BILL ON FIRST READING, A MEASURE THAT WOULD MAKE JABWOR ISLAND, JALUIT ATOLL, IN THE MARSHALLS A TT PORT OF ENTRY (HB 52), AND ADOPTING A SINGLE JOINT RESOLUTION COMMENDING THE WORK OF THOSE WHO PARTICIPATED IN THE RESCUE EARLIER THIS MONTH OF SEVERAL PLANE CRASH VICTIMS AND STRANDED HUNTERS FROM GOAT ISLAND NEAR TINIAN (HJR 82).

TWO NEW BILLS WERE INTRODUCED. ONE WOULD APPROPRIATE \$40,000 TO ACQUIRE TWO FARM TRACTORS FOR USE BY FARMERS ON SAIPAN, IN THE MARIANA ISLANDS (HB 235). THE OTHER WOULD AMEND THE TRUST TERRITORY CODE TO CLARIFY THE DUTIES AND RESPONSIBILITIES OF MEMBERS OF TT LAND REGISTRATION TEAMS (HB 234).

IN THE SENATE, THE REPORTS OF THE JOINT COMMITTEE ON THE LAW OF THE SEA, PRESENTED EARLIER IN THE WEEK, WERE ADOPTED WITHOUT COMMENT EXCEPT FROM SENATOR PANGELINAN, WHO PRAISED THE WORK OF THE COMMITTEE AND SAID HE FOUND THE REPORTS MOST HELPFUL. IN RESPONSE, JOINT COMMITTEE CHAIRMAN SENATOR AMARAICH SAID THE REPORT ON TRADITIONAL MICRONESIAN CONCEPTS OF SEA OWNERSHIP WAS PREPARED BY ONE MEMBER OF THE COMMITTEE, CONGRESSMAN MASAO NAKAYAMA (TRUK), AND THE COMMITTEE'S COUNSEL, FRED RAMP, AND HE PAID TRIBUTE TO THEIR OUTSTANDING WORK.

NEW BILLS INTRODUCED IN THURSDAY'S SENATE SESSION INCLUDE: A MEASURE TO ESTABLISH A LIMITED MORATORIUM ON SALARY INCREASES FOR TRUST TERRITORY EMPLOYEES, (SB 220); AN APPROPRIATION BILL ASKING FOR \$60,000 TO DEFRAY THE ADMINISTRATIVE EXPENSES OF THE UPCOMING CONGRESS OF MICRONESIA GENERAL ELECTION IN NOVEMBER, (SB 221); A BILL PROVIDING AN ALTERNATE PROCEDURE FOR CERTIFICATION OF CONTEMPT OF THE CONGRESS OF MICRONESIA IN CERTAIN CASES, (SB 222); A BILL TO INSURE RIGHTS OF SUPPORT AND INHERITANCE TO CHILDREN BORN OUT OF WEDLOCK, (SB 223); AND A NATURALIZATION BILL, (SB 224).

TWO JOINT RESOLUTIONS WERE ALSO OFFERED. THEY ARE: AUTHORIZING ALL INVESTIGATING COMMITTEES TO BRING CIVIL ACTIONS TO COMPEL THE PRODUCTION OF TESTIMONY, (S.J.R. 81); AND REQUESTING THE HIGH COMMISSIONER AND THE SEVERAL DISTRICT ECONOMIC DEVELOPMENT BOARDS TO EXERCISE THE UTMOST CIRCUMSPECTION IN GRANTING FOREIGN INVESTMENT BUSINESS PERMITS, (S.J.R. 82).

THE TWO HOUSES OF CONGRESS ARE IN RECESS UNTIL TEN FRIDAY MORNING, WHICH WILL BE THE TWELFTH DAY OF THE CURRENT SESSION.